C. DUKES SCOTT EXECUTIVE DIRECTOR 194596 194599 DAN E ARNETT CHIEF OF STAFF

> Phone: (803) 737-0800 Fax: (803) 737-0801

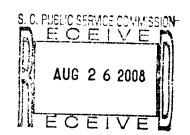
> > nsedwar@regstaff.sc.gov

Nanette S. Edwards Chief Counsel and Director of Legal Services

August 22, 2008

Mr. Charles L.A. Terreni Chief Clerk/Administrator South Carolina Public Service Commission 101 Executive Center Drive, Suite 100 Columbia, SC 29210

1441 Main Street, Suite 300 Columbia, SC 29201



Re: Certification of the Use of Universal Service Funds Pursuant to 47 C.F.R. 54.313 and 54.314 and the Telecommunications Act Section 254 (e)

Dear Mr. Terreni,

ORS requests that the Commission refrain from submitting certification letters to the Federal Communications Commission and the Universal Service Administrative Company for additional federal funding until after ORS has received the South Carolina Universal Service Fund Worksheets for Hargray Wireless, LLC ("Hargray"), FTC Communications, Inc. ("FTC"), and HTC Communications, LLC ("HTC"), collectively referred to as the "Wireless ETCs". ORS has requested that the completed worksheets be provided no later than **August 29, 2008**.

The Commission addressed ETCs and the State USF in Commission Order No. 2001-419. In that order, the Commission excluded wireless revenues from the base of contributions for USF at that time because sufficient evidence had not been presented that any wireless communications service provider was *competing* with local exchange service providers in the State. However, the Commission reserved its right to revisit the issue and stated:

Furthermore, we find that, if a wireless carrier applies to this Commission for carrier of last resort or eligible telecommunications carrier status, such application would be considered a declaration of that carrier's intent to offer services that compete with local telecommunications services being provided in the State, and that carrier will be required, upon approval of the request for carrier of last resort or eligible telecommunication carrier status, to contribute to the State USF.

Counsel for Hargray has informed ORS that its start date for contributing to the State Universal Service Fund should not be November 14, 2007, the date of the Commission order granting ETC status. Hargray states it did not receive money from the federal USF via the Universal Service Administrative Company (USAC) until June 30, 2008.

¹ ORS has received the Annual Report information provided by Hargray, FTC, and HTC pursuant to proposed Commission regulation 103.690.1.

While ORS has no indication from either FTC or HTC as to its position on this matter, ORS requests that the Commission wait until after August 29, 2008, to send the requested certification letters to the FCC and USAC, so that ORS is in a position to inform the Commission as to the status of the contributions to the State USF by the Wireless ETCs.

Planeck S. Edwards

Please feel free to contact me with any questions.

Sincerely,

Nanette S. Edwards

John M.S. Hoefer, Esquire cc: Margaret M. Fox, Esquire

Ronald K. Nesmith